

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

Caption in Compliance with D.N.J. LBR 9004-1(b)

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In re:

BLOCKFI INC., et al.,

Debtors.¹

Chapter 11

Case No. 22-19361 (MBK)

Jointly Administered

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC. (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965) and BlockFi Lending II LLC (0154). The location of the Debtors' service address is 201 Montgomery Street, Suite 263, Jersey City, NJ 07302.

LIMITED OBJECTION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS TO THE DEBTORS' MOTION SEEKING ENTRY OF AN ORDER (I) APPROVING THE BIDDING PROCEDURES AND RELATED DATES AND DEADLINES, (II) SCHEDULING HEARINGS AND OBJECTION DEADLINES WITH RESPECT TO THE DEBTORS' SALE, DISCLOSURE STATEMENT, AND PLAN CONFIRMATION, AND (III) GRANTING RELATED RELIEF

The Official Committee of Unsecured Creditors (the “**Committee**”) appointed in the above-captioned Chapter 11 cases of BlockFi, Inc. and its affiliated debtors (collectively, the “**Debtors**,” or “**BlockFi**”) respectfully submits this limited objection (this “**Limited Objection**”) to the *Debtors’ Motion Seeking Entry of an Order (I) Approving the Bidding Procedures and Related Dates and Deadlines, (II) Scheduling Hearings and Objection Deadlines With Respect to the Debtors’ Sale, Disclosure Statement, and Plan Confirmation, and (III) Granting Related Relief* [Docket No. 226] (the “**Motion**”).² In support of this Limited Objection, the Committee states as follows:

LIMITED OBJECTION

1. The Committee has the duty to ensure that the relief requested in the Motion and any action taken thereunder is a proper use of estate resources and constitutes an exercise of reasonable business judgment.

2. The Committee does not object, in principle, to the relief requested in the Motion, and supports a value-maximizing competitive process. The Committee has discussed with the Debtors certain limited concerns and is pleased to report that, except as reflected below, the Committee’s concerns have been resolved and such resolution shall be reflected in revised proposed relief to be submitted by the Debtors.

² Capitalized terms used in this Limited Objection but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

3. As it relates to the Motion, the Committee hereby restates and incorporates by reference its objection³ to the Debtors' proposed retention of Moelis & Company ("**Moelis**") as the Debtors' investment banker on the grounds articulated therein. Broadly speaking, it is unclear the rich compensation structure for Moelis will inure benefit to the estates and is a proper use of estate funds at this juncture of the case.

RESERVATION OF RIGHTS

4. The Committee reserves all rights to (i) determine that a sale process is not in the best interests of the estate, and (ii) object to the proposed disclosure and confirmation timeline if necessary.

5. The Committee reserves all of their respective rights, claims, defenses, and remedies, including, without limitation, the right to amend, modify, or supplement this Limited Objection, seek discovery, raise additional objections during any hearing on the Motion, and negotiate and document alternative proposals for relief.

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³ See Docket No. 279.

CONCLUSION

WHEREFORE, the Committee respectfully requests that the Court (i) sustain this Limited Objection and otherwise grant the relief sought in the Motion with the changes described herein, and (ii) grant such other and further relief it deems proper.

Dated: January 24, 2023

By: /s/ Daniel M. Stolz
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